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DEPARTMENT OF STATE

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Memorandum of Conversation

DATE: April 8, 1959

SUBJECT: Libyan-American Aid Negotiations

PARTICIPANTS: Dr. Mohieddine Fekini, Libyan Ambassador
AF - Mr. Satterthwaite, Assistant Secretary
AFN - Mr. Porter, Director
Mr. Parker, Libyan Desk Officer

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Dr. Fekini said that he had received information from his Foreign Ministry describing developments in the current Libyan-American negotiations, which had been in progress since February. He had been instructed to inform us of his Government's concern that to date no progress had been made in these negotiations. The Libyans had presented their detailed points of view, to which the American negotiators had replied that all these matters were under study in the Department of State. The Libyans had been waiting patiently to hear the U. S. reply to their representations and now requested that urgency be attached to this matter, which was of extreme importance to the Libyan Government. He personally was very hopeful that the American delegation would have instructions and be able to express a point of view soon.

Mr. Satterthwaite said that on March 18 the Libyan delegation had presented a memorandum containing a number of important and far-reaching proposals. These were now under active consideration by us; however, they raised a number of fundamental points which would require some study. In the meantime, we had instructed our Ambassador to proceed with the discussion of our FY 1959 aid program and wished to urge that the Libyans proceed to quick agreement on this program without prejudice to the other, broader questions involved in the current negotiations. Agreement would have to be reached before June 30 or the funds would lapse and it would be unwise to let the matter be delayed until the last minute. We understood that the Libyans intended to present us with some specific proposals regarding the operation of the aid program. We had not received these proposals but would study them carefully when we did.

Mr. Porter

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Libyan Embassy

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Mr. Porter added that there were strong reasons for going ahead with discussion of the aid program now. The problems of the financial annex to the Base Agreement would have to be dealt with separately since they involved complex legal questions. We would prefer to settle the aid program first and then tackle the financial annex.

Dr. Fekini said that he had been instructed to emphasize the urgency and great importance which the Libyan Government attached to a U. S. reply to their March 18th note. Mr. Porter replied that we understood the urgency of this matter and hoped that the Libyans would understand the complexity of our own problem. Dr. Fekini replied that he understood that delays to date had been occasioned by the fact that the delegation in Benghazi had no instructions and this was why he had come to the Department. Mr. Porter said that we were able to go forward on the matter of the aid program and that there was no waiting in this regard. It was only with regard to the financial annex that more time would be required to present our proposal. Dr. Fekini said that the Libyans considered all these matters to be connected.

Mr. Satterthwaite said that we were not trying to imply that they were not connected. However, we could move more rapidly on some aspects than on others and it was to our mutual advantage to do so.

Dr. Fekini said that it would be helpful if assurances could be given that the U. S. would move rapidly on all these questions. Mr. Porter said that we had already sent instructions to our Embassy and we expected them to be talking to the Libyan Government about the aid program very soon. We could assure Dr. Fekini that we would move as rapidly as possible but this was no easy matter and inevitably would take time.

There ensued a general discussion during which Mr. Satterthwaite informed Dr. Fekini for his personal information that Mr. Ben Brown probably would be sent to Libya soon as a replacement for Mr. Marcus Gordon.

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